



# NEWS DIGEST

*MEITY Chair on Internet Policy*

ICRIER's Internet Policy News Digest is your update on Indian and global developments in cyber-security, digital economy, and Internet governance. We bring you a new version for this month that is re-designed to include opinion pieces covering issues both global as well as focused on India. We sincerely welcome your valuable feedback and comments at [www.internetpolicy.in](http://www.internetpolicy.in). Please email your valuable feedback and comments to [internet.news@icrier.res.in](mailto:internet.news@icrier.res.in).

## GLOBAL

July 2019 continued to focus on privacy and data protection, with the global commentariat assessing the impact of the EU's General Data Protection Regulation (GDPR). Andrea O'Sullivan finds that even as companies are incentivized to spend millions in search of 'compliance', whether or not that translates to meaningful progress in data practices. She argues that the [GDPR may cause firms to be tempted to hide breaches to avoid onerous fines](#), without ultimately doing much to promote the improvements on data privacy policies that advocates had hoped for. Eric Schrock, writing for *Forbes*, mirrors O'Sullivan's view that [compliance is not enough](#), and argues that to be a responsible data company, organizations must beat regulation to the punch with a strong moral, ethical and legal foundation to preserve consumer trust and privacy.

Asta Gudrun Helgadóttir explores subtle differences between European and US norms concerning the freedom of expression, the right to your own data, and corporate responsibility, with a view to assess the nature of the [costs the EU would incur by trying to retroactively fit its values on to the existing global internet infrastructure](#) with regulations like the GDPR. With increasing degrees of surveillance and control of the web, there has been an [expansion of the market for virtual private networks \(VPNs\)](#) for people to work around internet blocks and to hide their location online, *Al Jazeera* reports. They are particularly popular in countries with authoritarian tendencies, such as Iran, China, and Turkey. Alan Beattie, writing for *the Financial Times* (*paywall*), explores how the US, EU, and China compete to set industry standards and finds that there is a [first-mover advantage for whoever writes the new rules for the digital economy](#). Clayton Cheney decodes the [role of China's Digital Silk Road](#), part of its Belt and Road Initiative, in its strategic technological competition with the United States through exporting its model of digital authoritarianism around the globe.

### **EU court rules websites using Facebook's Like button are liable for user data collection**

The ruling from the Luxembourg-based Court of Justice of the European Union stated that any companies with an embedded Like button will be responsible along with Facebook for data

collection. They must ask for permission from users to transfer data over to the social media giant.

### **Estonia debuts first-ever cyber diplomacy training**

Dozens of NATO and EU diplomats who focus on cybersecurity issues were in Estonia last week for their first-ever “summer school” training on cyber diplomacy. The sessions focused on lessons learned from previous international negotiations on cybersecurity issues, technical developments on the latest cyberthreats, and international norms and laws in cyberspace.

### **GDPR hits online visits and revenues in Europe**

According to Samuel Goldberg (Northwestern University), Garrett Johnson (Boston University) and Scott Shriver (University of Colorado), recorded page views and site visits fell by 9.7% and 9.9% respectively since the introduction of the GDPR.

### **Australia considers more regulation of Google and Facebook**

The Australian Competition and Consumer Commission, the nation’s fair trade watchdog, spent 18 months investigating the impact of digital search engines, social media platforms, and digital content aggregators. For every \$100 spent by advertisers online in Australia — excluding classified ads — \$47 goes to Google, \$24 to Facebook and \$29 to other players, it said.

### **U.S. government issues historic \$5 billion fine against Facebook for repeated privacy violations**

The U.S. government on Wednesday issued an unprecedented rebuke of Facebook after a year of massive privacy mishaps, charging that the company deceived its users and “undermined” choices they made to protect their data as part of a settlement that requires the tech giant to pay \$5 billion and submit to significant federal oversight of its business practices.

### **Chrome, Firefox browser extensions leaked millions of users' data**

Popular browser extensions like ad blockers have been caught harvesting personal data of millions of consumers who use Chrome and Firefox -- not only their browsing histories but also exposing tax returns, medical records, credit card information and other sensitive data in the public domain.

## **INDIA**

With data localization emerging as a key sticking point in India-US relations over the past few months, this theme has received significant attention. ORF warns that the [addition of data localisation to the basket of persisting trade issues warrants greater compartmentalisation and consultative approaches to US-India ties](#). Rahul Matthan, writing for *Mint*, sums up the issue in his argument in favour of a cost-benefit analysis of data localisation, and holds that [India’s approach of requiring data localization by default seems somewhat out of character](#), given India’s reputation for openness in global trade and cross-border trade of goods and services. *The Hindu* discusses [India’s policy on cryptocurrencies and argues that a ban might not be the best answer](#), since owing to the network-based nature of cryptocurrencies, after banning domestic crypto exchanges, many traders turned to overseas platforms to continue participating in crypto transactions.

Subhashish Bhadra reviews [policy options for India on data policy](#), and argues that instead of choosing market distortionary regulations which appear rewarding in the short run, a new approach of platform interoperability; business self-regulation; and enhanced individual agency is more desirable. Writing for *The Print*, Rudra Chaudhuri and Anirudh Barman posit that [India, as the biggest open data market, could emerge as a world leader in data arbitration](#), and create a multilateral platform for inter-governmental data mediation. Payal M Upreti believes that the [Indian government is taking a leaf out of the book of big corporations such as Amazon and Instagram that monetise people’s data](#) in the Economic Survey, which outlines the various categories of data that the government has. These include vehicle registration records, land surveys, institutional and transactions data, and talks about monetising them for ‘public good’. Padmashree G Sampath argues that in order to [create a fair digital payments market in India](#), it is vital for policy to incentivize local firms to capture large shares of the digital payments market to become e-commerce players on a global scale.

### **Union Health Minister unveils National Digital Health Blueprint**

In a bid to create a national repository of digital health records, the Union Ministry of Health & Family Welfare recently released the [National Digital Health Blueprint \(NDHB\)](#), and invited suggestions from various stakeholders. It also stressed on integrating the existing health information systems and ensuring the interoperability of the Electronic Health Record (EHR).

### **5G, data localisation to dominate BRICS meeting**

Diplomats said the BRICS group of emerging economies would seek to “coordinate” positions on the contentious issue. The BRICS countries may also search for common ground on data localisation, of particular interest to India, after the Reserve Bank passed guidelines ensuring that financial data pertaining to Indians is stored only in Indian servers.

### **Does India Have Enough Cybersecurity Talent?**

National news from the last few years has shown that India is not well-prepared for cybersecurity attacks. According to a recent survey, India has the third-highest number of cyberattacks after Mexico and France. This has increased the demand for cybersecurity experts exponentially — so much so, that after data science, it has become one of the most sought-after jobs in India.

### **WhatsApp confirms roll out of payment service in India later this year**

WhatsApp would launch a payments service in India later this year, and began testing of its payment system last year with one million users in the country. In India, WhatsApp's payment service will go head-to-head with the likes of Google Pay, PhonePe and Paytm. However, Indian authorities have raised several concerns over users' privacy and security.

### **India to approach the EU seeking 'adequacy' status with the GDPR**

India will approach the European Union seeking ‘adequacy’ status with the General Data Protection Regulation once the country finalizes and passes its own Personal Data Protection Bill. The reciprocal recognition of data protection equivalency is expected to reduce the compliance burden and give the outsourcing industry a leg up in attracting clients from Europe.

### **Free flow of cross-border data can boost India's digital export to \$200 billion**

Imposing restrictions on cross-border data flows can severely impact the growth of India's digital trade which has a potential to grow to Rs 12.8 lakh crore by 2030, said a report prepared by Hong Kong-based Hinrich Foundation. The report estimates more than 200% growth in the total value of virtual goods and services enabled by digital economy and e-commerce by 2030.

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